

**Claims:**

Please cancel all of the claims of record and substitute new claims 13 through 26 as follows:

13. A method for defining collateral loss coverage as a function of the recovery on an insurance policy or group of insurance policies that are written by an insurer:
  - (a) using a contract that enables an exchange of money between two parties, where said insurer is a coverage buyer,whereby simple and cost efficient coverage may be provided for losses that are expensive to define or prove.
14. The contract of claim 13(a) that is structured as one or more provisions in any type of contract.
15. The contract of claim 13(a) where said contract's loss coverage is directly proportional to the losses recovered under said insurance policy or group of insurance policies.
16. The contract of claim 13(a) where said contract's loss coverage is not directly proportional to the losses recovered under said insurance policy or group of insurance policies.
17. The contract of claim 13(a) where said contract's premium bears a functional relationship to the premium charged for said insurance policy or group of insurance policies.
18. A method for defining collateral loss coverage as a function of the recovery of a reinsurance policy or group of reinsurance policies:
  - (a) using a contract that enables an exchange of money between two parties,

whereby simple and cost efficient coverage may be provided for losses that are expensive to define or prove.

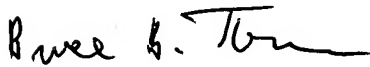
19. The contract of claim 18(a) that is structured as one or more provisions in any type of contract.
20. The contract of claim 18(a) where said contract's loss coverage is directly proportional to the losses recovered under said reinsurance policy or group of reinsurance policies.
21. The contract of claim 18(a) where said contract's loss coverage is not directly proportional to the losses recovered under said reinsurance policy or group of reinsurance policies.
22. The contract of claim 18(a) where said contract's premium bears a functional relationship to the premium charged for said reinsurance policy or group of reinsurance policies.
23. A method for defining collateral loss coverage and calculating collateral loss premiums based on the terms of a reinsurance policy or group of reinsurance policies:
  - (a) using a contract that enables an exchange of money between two parties such that said exchange is determined by two functional relationships to said reinsurance policy or group of reinsurance policies, where one said functional relationship defines loss coverage as a function of the recovery under said reinsurance policy or group of reinsurance policies and the other said functional relationship calculates the premium of said contract as a function of the premium of said reinsurance policy or group of reinsurance policies,whereby simple and cost efficient coverage may be provided for losses that are expensive to define or prove.

24. The contract of claim 23(a) that is structured as one or more provisions in any type of contract.
25. The functional relationships of claim 23(a) where said contract's premium and loss coverage are directly proportional to the premium charged and the losses recovered under said reinsurance policy or group of reinsurance policies.
26. The functional relationships of claim 23(a) where said contract's premium and loss coverage are not directly proportional to the premium charged for and the losses recovered under said reinsurance policy or group of reinsurance policies.

**Conditional Request for Constructive Assistance**

Applicants have amended the specification and claims of this application so that they are proper, definite, and define novel structure which is also unobvious. If, for any reason this application is not believed to be in full condition for allowance, applicants respectfully request the constructive assistance and suggestions of the Examiner pursuant to M.P.E.P. § 707.07(j) in order that the undersigned can place this application in allowable condition as soon as possible.

Respectfully,



Bruce Bradford Thomas

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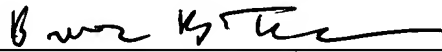
203-445-0830



Lester Ware Preston, III

**Certificate of Mailing:** I certify that this correspondence, and attachments, if any, will be deposited with the United States Postal Service by First Class Mail, postage prepaid, in an envelope addressed to "Commissioner for Patents, PO Box 1450, Alexandria, VA 22313-1450.

2004 June 3



Bruce Thomas, Applicant

